



Testimony of Edward Grayson, Commissioner New York City Department of Sanitation

Hearing on the FY 2022 Preliminary Budget and FY 2021 Preliminary Mayor's Management Report

New York City Council Committee on Sanitation and Solid Waste Management

Thursday, March 4, 2021 2:00 P.M.

Good afternoon Chairman Reynoso and members of the City Council Committee on Sanitation and Solid Waste Management. I am Edward Grayson, Commissioner of the New York City Department of Sanitation. Thank you for the opportunity to discuss the Department's portion of the Mayor's Fiscal Year 2022 Preliminary Budget, the Fiscal Year 2021 Preliminary Mayor's Management Report, and our current programs and operations. With me this afternoon are First Deputy Commissioner Salvatore Ceraulo and Gregory Anderson, Deputy Commissioner for Policy and External Affairs. I am pleased to be here in front of this Committee for the first time since my formal appointment as Commissioner at the end of December.

This month marks one year since New York City became the epicenter of the worse public health crisis our nation has faced in more than a century. The COVID-19 crisis has taken a devastating toll on our families, our communities, and upended everyday life. Sadly, like many agencies and partners in government, the Department has also been personally affected by this terrible illness. Since our first case nearly one year ago we have lost eight employees who had confirmed COVID-19 cases. Nearly 20 percent of DSNY employees have tested positive for the virus, and hundreds more were out sick last March and April before widespread testing was available. We continue to advocate with the State to open up access to the COVID-19 vaccine to all of our front-line, essential Sanitation employees who have demonstrated their dedication and resolve over this difficult year.

Preliminary FY 2022 Budget

While we are still in unprecedented and uncertain fiscal times, the proposed FY 2022 preliminary budget will ensure that the Department can continue its core operations necessary to keep New York City healthy, safe and clean. The Preliminary Budget includes \$1.739 billion in expense funds for the Department. Our FY 2022 budgeted headcount is 9,503, including 7,381 full-time uniform and 2,122 full-time civilian positions. In addition, the Department's proposed FY 2022 capital budget is \$184.7 million. Of this amount, \$131.8 million is allocated to facility construction and rehabilitation, \$8.3 million for information technology projects, and \$44.6 million to replace equipment and vehicles.

Together, the November Plan and Preliminary Budget include \$43.7 million in savings in fiscal years 2021 and 2022, including:

- \$18.6 million due to the continued suspension of the curbside composting program in FY 2022;
- \$13.2 million in lower projected costs for the Fresh Kills landfill closure and post-closure maintenance;
- \$4.4 million in additional revenue from the sale of environmental attributes associated with Fresh Kills landfill gas;
- \$4.0 million from privatizing Sunday and holiday security at our facilities; and
- \$1.9 million due to reduced street sweeping frequency associated with alternate side parking.

While the vaccine offers a light at the end of the tunnel of the COVID crisis, the financial toll on our City is far from over. The cuts that we have taken over this last year and will continue to take in the future have required tough choices, and we do not take them lightly.

However, I am pleased to report that the FY 2022 Preliminary Budget includes funding for some of programs that help us make progress toward our zero waste goals, including \$2.2 million to reinstate our special waste sites and SAFE Disposal events and a full \$3.5 million for our NYC Compost Project partners. I would like to take this opportunity to thank Chair Reynoso and many of you for your leadership and efforts last summer to restore funding for community composting and food scrap drop-off sites.

2020-2021 Winter Season

Snow-fighting is a core component of the Department's mission, and this critical work has come front and center this winter. National Weather Service observers in Central Park measured 26.0 inches in February alone, the eighth snowiest February in NYC history. In total, we have activated for 12 winter weather events and received a total of 38.6 inches of snow so far this season – and there's still a few weeks of winter ahead of us.

I am proud of the dedication, resilience and perseverance that our workforce has shown, working long hours on split shifts for more than three weeks straight. Our employees – and their families – are true public servants. We know that every snowstorm brings its unique challenges yet despite our headcount reduction this winter season, I believe the men and women of this Department, as always, rose to the occasion during each of these snow events to ensure our streets remained safe and passable. I know the tough and often brutal conditions they face each storm having been out there myself early in my career, and I thank them for their service.

To date this winter season, the Department has used 451,000 tons of road salt, 520,000 gallons of calcium chloride, and 202,000 gallons of liquid brine to de-ice the City's roadways. We also have 217,000 tons of road salt on hand at 43 salt sites citywide and contracts in place to deliver an additional 279,050 tons, if necessary. While we hope that we are out of the woods for the remainder of the season, we remain ready to fight whatever Mother Nature gives us.

The current FY 2021 snow budget is \$101.4 million. The preliminary FY 2022 snow budget is \$89.9 million.

Sustainable Waste Management

At the cornerstone of the City's long-term solid waste management policy is the City's comprehensive Solid Waste Management Plan. It called for the creation of eight rail or barge-based transfer stations, together with the use of an existing energy-from-waste facility in New Jersey, that shifts waste export from long-haul trucking to a sustainable and reliable network of marine and rail transfer stations equitably distributed throughout the five boroughs.

Today, all nine long-term facilities are fully operational, and the plan has reduced truck traffic associated with waste transport by more than 60 million miles per year, including more than 5 million miles in and around New York City. It has slashed greenhouse gas emissions associated with waste transport by more than 34,000 tons annually and has created a more equitable distribution of waste management infrastructure in New York City. These nine facilities also create new waste transfer capacity that has allowed the City to permanently reduce permitted capacity at privately-operated transfer stations in historically overburdened and minority communities predominately located in three neighborhoods in North Brooklyn, Southeast Queens, and the South Bronx.

In accordance with Local Law 152 of 2018, NYC's Waste Equity Law, the Department implemented reductions in permitted capacity at 22 transfer stations in overburdened communities in the 12-month period ending September 30, 2020. The reductions implemented pursuant to this law cut permitted capacity in these communities by 10,137 tons per day.

Commercial Waste Zones

The commercial waste sector also plays an important role in achieving our zero waste goals. Commercial Waste Zones will create a safe and efficient collection system for commercial waste that provides high quality, low cost service to New York City businesses while advancing the City's zero waste and sustainability goals. The new system is expected to reduce commercial waste truck traffic by more than 50 percent, eliminating millions of miles of truck travel, cutting air pollution and reducing the time it takes workers to complete their routes. It is also expected to nearly double the commercial diversion rate for recyclables and organic waste.

The impact of the current COVID-19 crisis on our city's businesses has dramatically affected the private carting industry and we believe that the business community and the carting industry must begin to recover and stabilize before embarking on this transformative effort. Nonetheless, the Department remains firmly committed to implementing this program and fully realizing its benefits for all New Yorkers, though we must take the right precautions to do so sensibly.

Following a six-month delay due to the pandemic, the Department began the competitive procurement process by issuing Part 1 of a Request for Proposals (RFP) in November 2020. Part 1 of the RFP requested information from potential awardees to determine their ability to perform in accordance with specific business, character, financial and licensing requirements. Submissions for Part 1 were received by February 19.

This spring DSNY is promulgating several rules to implement the program, including rules governing customer service, operations, health and safety, recycling and organics collection and other administrative requirements. By late spring, the Department will also issue Part 2 of the RFP to select the zone awardees. We anticipate the transition period to the new zone system to begin in 2022 and last up to two years.

GetFoodNYC

Before the COVID pandemic crisis, an estimated 1.2 million New Yorkers faced food insecurity. However, due to the economic devastation caused by COVID-19, we estimate that this number grown to over two million before stabilizing at around 1.6 million as the city began to reopen. One year later as families continue to struggle to make ends meet, many New Yorkers, especially our older neighbors and those with health conditions, remain stuck inside their homes and apartments, unable to safely shop at their neighborhood supermarket or eat meals in group settings. They deserve the dignity of knowing where their next meal will come from.

Last March at the request of Mayor de Blasio, the Department was tasked with leading an interagency team dedicated to keeping our city fed and safeguarding the food supply chain during this public health emergency. Many of those programs continue to operate under the leadership of the Mayor's Office of Food Policy. DSNY continues to operate the GetFoodNYC Emergency Home Food Delivery program to deliver meals directly to New Yorkers who need them, cannot leave their homes due to the pandemic and cannot afford private delivery options.

Many of our colleagues at the Department stepped up to support the effort to feed New Yorkers in need this past year, including recycling outreach staff, attorneys, contract specialists, and operational managers. I am incredibly proud of their efforts.

Through the emergency programs established to date, the City has distributed more than 200 million meals to hungry New Yorkers. Through the Emergency Home Food Delivery programs alone, DSNY has delivered 125 million meals. The Department is currently funded for \$366 million for emergency feeding initiatives in FY 2021.

We will continue to work with the Mayor's Office, our partner agencies and OMB as necessary to assess the costs associated with this effort and ensure that adequate funding is available to provide food to those in need during this crisis.

Throughout this crisis, the Department has continued to provide essential trash and recycling collection services for millions of New Yorkers. This is a testament to the dedication and commitment of our Sanitation Workers, uniformed officers, trades men and women, and other essential staff. We all owe the hardworking employees of the Department, and all other essential workers, a debt of gratitude for their efforts during the past twelve months. They are New York's pandemic heroes.

In closing, I wish to thank Chair Reynoso and the other members of this committee for continuing support of our essential workers, programs and work. You are critical advocates as we work to keep New York City healthy, safe, and clean. Thank you for this opportunity to testify this afternoon, and my staff and I are now happy to answer your questions.